

2SHB 1273 - S AMD 324

By Senator Berkey and Benton

PULLED 03/12/2008

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.330
4 RCW to read as follows:

5 (1) The financial fraud and identity theft crimes investigation and
6 prosecution program is created in the department of community, trade,
7 and economic development. The department shall:

8 (a) Appoint members of the financial fraud task forces created in
9 subsection (2) of this section;

10 (b) Administer the account created in subsection (3) of this
11 section; and

12 (c) By December 31st of each year submit a report to the
13 appropriate committees of the legislature and the governor regarding
14 the progress of the program and task forces. The report must include
15 recommendations on changes to the program, including expansion.

16 (2)(a) The department shall establish two regional financial fraud
17 and identity theft crime task forces that include a central Puget Sound
18 task force that includes King and Pierce counties, and a Spokane county
19 task force. Each task force must be comprised of local law
20 enforcement, county prosecutors, representatives of the office of the
21 attorney general, financial institutions, and other state and local law
22 enforcement.

23 (b) The department shall appoint: (i) Representatives of local law
24 enforcement from a list provided by the Washington association of
25 sheriffs and police chiefs; (ii) representatives of county prosecutors
26 from a list provided by the Washington association of prosecuting
27 attorneys; and (iii) representatives of financial institutions.

28 (c) Each task force shall:

29 (i) Hold regular meetings to discuss emerging trends and threats of
30 local financial fraud and identity theft crimes;

- 1 (ii) Set priorities for the activities for the task force;
- 2 (iii) Apply to the department for funding to (A) hire prosecutors
3 and/or law enforcement personnel dedicated to investigating and
4 prosecuting financial fraud and identity theft crimes; and (B) acquire
5 other needed resources to conduct the work of the task force;
- 6 (iv) Establish outcome-based performance measures; and
- 7 (v) Twice annually report to the department regarding the
8 activities and performance of the task force.

9 (3) The financial fraud and identity theft crimes investigation and
10 prosecution account is created in the state treasury. Moneys in the
11 account may be spent only after appropriation. Revenue to the account
12 may include appropriations, revenues generated by the surcharge imposed
13 in section 2 of this act, federal funds, and any other gifts or grants.
14 Expenditures from the account may be used only to support the
15 activities of the financial fraud and identity theft crime
16 investigation and prosecution task forces and the program
17 administrative expenses of the department, which may not exceed ten
18 percent of the amount appropriated.

19 (4) For purposes of this section, "financial fraud and identity
20 theft crimes" includes those that involve: Check fraud, chronic
21 unlawful issuance of bank checks, embezzlement, credit/debit card
22 fraud, identity theft, forgery, counterfeit instruments such as checks
23 or documents, organized counterfeit check rings, and organized
24 identification theft rings.

25 **Sec. 2.** RCW 62A.9A-525 and 2000 c 250 s 9A-525 are each amended to
26 read as follows:

27 (a) **Filing with department of licensing.** Except as otherwise
28 provided in subsection (b) or (e) of this section, the fee for filing
29 and indexing a record under this part is the fee set by department of
30 licensing rule pursuant to subsection (f) of this section. Without
31 limitation, different fees may be charged for:

32 (1) A record that is communicated in writing and consists of one or
33 two pages;

34 (2) A record that is communicated in writing and consists of more
35 than two pages, which fee may be a multiple of the fee described in (1)
36 of this subsection; and

1 (3) A record that is communicated by another medium authorized by
2 department of licensing rule, which fee may be a fraction of the fee
3 described in (1) of this subsection.

4 (b) **Filing with other filing offices.** Except as otherwise provided
5 in subsection (e) of this section, the fee for filing and indexing a
6 record under this part that is filed in a filing office described in
7 RCW 62A.9A-501(a)(1) is the fee that would otherwise be applicable to
8 the recording of a mortgage in that filing office, as set forth in RCW
9 36.18.010.

10 (c) **Number of names.** The number of names required to be indexed
11 does not affect the amount of the fee in subsections (a) and (b) of
12 this section.

13 (d) **Response to information request.** The fee for responding to a
14 request for information from a filing office, including for issuing a
15 certificate showing, or otherwise communicating, whether there is on
16 file any financing statement naming a particular debtor, is the fee set
17 by department of licensing rule pursuant to subsection (f) of this
18 section; provided however, if the request is to a filing office
19 described in RCW 62A.9A-501(a)(1) and that office charges a different
20 fee, then that different fee shall apply instead. Without limitation,
21 different fees may be charged:

22 (1) If the request is communicated in writing;

23 (2) If the request is communicated by another medium authorized by
24 filing-office rule; and

25 (3) If the request is for expedited service.

26 (e) **Record of mortgage.** This section does not require a fee with
27 respect to a record of a mortgage which is effective as a financing
28 statement filed as a fixture filing or as a financing statement
29 covering as-extracted collateral or timber to be cut under RCW
30 62A.9A-502(c). However, the recording and satisfaction fees that
31 otherwise would be applicable to the record of the mortgage apply.

32 (f) **Filing office rules.** (1) The department of licensing shall by
33 rule set the fees called for in this section for filing with, and
34 obtaining information from, the department of licensing. The director
35 shall set fees at a sufficient level to defray the costs of
36 administering the program. All receipts from fees collected under this
37 title, except fees for services covered under RCW 62A.9A-501(a)(1),

1 shall be deposited to the uniform commercial code fund in the state
2 treasury. Moneys in the fund may be spent only after appropriation and
3 may be used only to administer the uniform commercial code program.

4 (2) In addition to fees on filings authorized under this section,
5 the department of licensing shall impose a surcharge of eight dollars
6 per filing for paper filings and a surcharge of three dollars per
7 filing for electronic filings. The department shall deposit the
8 proceeds from these surcharges in the financial fraud and identity
9 theft crimes investigation and prosecution account created in section
10 1 of this act.

11 (g) **Transition.** This section continues the fee-setting authority
12 conferred on the department of licensing by former RCW 62A.9-409 and
13 nothing herein shall invalidate fees set by the department of licensing
14 under the authority of former RCW 62A.9-409.

15 NEW SECTION. Sec. 3. This act expires July 1, 2015."

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16 On page 1, line 1 of the title, after "fraud;" strike the remainder
17 of the title and insert "amending RCW 62A.9A-525; adding a new section
18 to chapter 43.330 RCW; and providing an expiration date."

EFFECT: To support the activities of the task forces, a surcharge
is placed on filings of security interests with the department of
licensing. The surcharges are \$8.00 per filing for paper filings and
\$3.00 per filing for electronic filings.

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